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FOREIGN SERVICE DESPATCH

F800001-1542

FROM : Amembassy GUATEMALA

178

RESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

DEPARTMENT OF STATE, WASHINGTON

REF : Dept's Instruction A-41, Aug 24,

RECEIVED BY SEP 17 1954

For Dept. Use Only	ACTION E-4	DEPT. R-2	ARR-4	01	RDS for ACTION. DATA
	REC'D 9/6	OTHER CIA-7			END OF MESSAGE

SUBJECT: STATUS OF MR. MANUEL NORIEGA MORALES, FORMER PRESIDENT OF THE BANK OF GUATEMALA

The Department in its instruction quoted the opinion of Mr. Horace L. Sanford, Assistant Vice President of the Federal Reserve Bank of New York, and of Dr. John H. Williams, Consultant to that Bank, regarding Mr. Manuel Noriega Morales, the former President of the Bank of Guatemala, and asked the Embassy to report on his status.

Mr. Noriega's term as President of the Bank of Guatemala expired on June 30, 1954, and it is understood from remarks which he made at the time that he did not offer himself for re-election. Whether he followed this course because he felt that he would not be re-elected if he sought to continue in the post, or whether he had personal reasons for not seeking to continue, the Embassy has not been informed. The Embassy does not regard Mr. Noriega with suspicion and would have been quite content to have seen him continue in office. Nevertheless, it is not surprising that, despite his technical competence, he could hardly enjoy the full confidence of the new regime after having served the old one as Minister of Economy and Labor, and as President of the Bank of Guatemala. It should be borne in mind that to the extent that he performed his tasks competently under the Government of Colonel Arbenz, he lent stability to that regime. Therefore, he may well have to retire from public life in Guatemala for a time. He has not been arrested or subjected to other reprisals, and it appears unlikely that he will be so subjected.

Dr. Manuel Bendfeldt who has been elected President of the Bank of Guatemala to replace Mr. Noriega appears to be well-suited for his job.

For the Ambassador:

Andrew B. Wardlaw
First Secretary of Embassy

ABWardlaw:mb
REPORTER

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DECLASSIFICATION DATE 9/14/19

PER B. G. OFFICE AREA

FADRC FOI CASE NO. 790252 Schuyler

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